

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 2350 – HB 2368

March 24, 2014

SUMMARY OF ORIGINAL BILL: Defines “electronic citation” for the purpose of allowing law enforcement officers to send traffic citations to the appropriate court in an electronic format. Requires electronic citations be sent to the court within three days of issuance. Requires paper copies of the electronic citation to be provided to the individual issued the citation. Authorizes court clerks to charge a \$5.00 electronic citation fee for each citation resulting in conviction. Authorizes court clerks to retain \$1.00 of the \$5.00 electronic citation fee. Requires the court clerk to transmit the remaining \$4.00 to the law enforcement entity that prepared the electronic citation. Prohibits court clerks from charging and collecting the electronic citation fee if the local legislative body has, by ordinance, elected not to be subject to this section. Establishes mandated uses for funds received as the electronic citation fee.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenue – Exceeds \$80,000/Department of Safety

Increase Local Revenue – Exceeds \$270,000

SUMMARY OF AMENDMENTS (013289, 014754): Amendment 013289 deletes and rewrites the bill such that the only substantive changes are the addition of a definition for “traffic citation” which includes an electronic citation on an electronic data device; the redefining of “citation” appropriately to accommodate the provisions of this bill as amended; and the authorization for local governments to opt into the provisions of the legislation, by majority vote, through resolution or ordinance. Amendment 014754 adds language to the bill as amended by amendment 013289 that limits any local government revenue derived by the electronic citation fee, the collection of which is approved by ordinance or resolution, to a five-year period.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

Increase State Revenue –

**Exceeds \$80,000/Each Year FY14-15 through FY18-19/Department of
Safety**

Increase Local Revenue –

Exceeds \$270,000/Each Year FY14-15 through FY18-19/Permissive

Assumptions for the bill as amended:

- The Department of Safety and Homeland Security (DOS) uses the Tennessee Integrated Traffic Analysis Network (TITAN) electronic citation program.
- According to DOS, there are approximately 200,000 citations issued by the state annually.
- DOS indicates a conviction rate of approximately 40 percent.
- Local governments will opt in to this legislation, by ordinance or resolution, sufficient for court clerks to assess the electronic citation fee on at least 25 percent of all DOS-issued citations.
- A minimum of 20,000 citations issued by DOS (200,000 x 40.0% x 25.0%) will be charged the \$5.00 electronic citation fee.
- Four dollars of the fee will be allocated to the Tennessee Highway Patrol of the Department of Safety as the law enforcement entity that issued the citations. An increase in state revenue estimated to exceed \$80,000 (20,000 citations x \$4.00).
- One dollar of the fee will be retained by the local court clerk's office. A permissive increase in local revenue estimated to exceed \$20,000 (20,000 citations x \$1.00).
- Local governments will opt into this legislation, by ordinance or resolution, sufficient that the fee will be collected on at least 50,000 additional local government-issued citations each year.
- The permissive increase in local revenue for court clerks from one dollar of the fee is reasonably estimated to exceed \$50,000 (50,000 x \$1.00).
- The permissive increase in local revenue for local law enforcement agencies from four dollars of the fee is reasonably estimated to exceed \$200,000 (50,000 x \$4.00).
- Pursuant to amendment 014754, revenue collected from the electronic citation fee, the collection of which is assumed to be approved by ordinance or resolution, would be limited to a five-year period following the date on which the ordinance or resolution is adopted.
- Local governments electing to adopt ordinances or resolutions will do so in FY14-15; thus allowing the collection of the electronic citation fee for fiscal years FY14-15 through FY18-19. As a result, the increase in state revenue to DOS for each year FY14-15 through FY18-19 is estimated to exceed \$80,000; and the permissive increase in local revenue for each year FY14-15 through FY18-19, is estimated to exceed \$270,000 (\$20,000 + \$50,000 + \$200,000).

- This bill does not explicitly require the state or any local government entity to develop or establish an electronic citation system. Some local governments may elect to develop or establish an electronic citation system in the future, subjecting themselves to permissive increases in expenditures. Any permissive increase in local expenditures is assumed to occur in the absence of this bill. As a result, and for the purposes of this fiscal note, no expenditures have been included for the establishment or development of new systems.
- Any increase in state or local government expenditures for transmission of electronic citations to the court having jurisdiction over the alleged offense, or for providing persons issued an electronic citation a paper copy of the citation, is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/rnc